EX-TEXAS OFFICIAL INDICTED FOR FRAUD

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WASHINGTON, July 10 (AP) —A Federal grand jury in Fort Worth indicted today Waggoner Carr, Attorney General of Texas from 1962 to 1966, on charges stemming from an alleged attempt to defraud an insurance company.

Indicted with Mr. Carr were Joe P. Novotny, former president of the Sharpstown State Bank of Houston and John Osorio, a former insurance commissioner for the state of Texas and president of the National Bankers Life Insurance Company of Dallas from 1962 to 1970.

A second indictment charged Mr. Carr and five other Texans with securities fraud and conspiracy.

The indictment alleged that Mr. Carr and Mr. Osorio used $582,000 defrauded from National Bankers Life to repay personal debts.

The indictment alleged that Mr. Car, Mr. Osorio and Mr. Novotny used assets of National Bankers Life as security for a bank loan and that National Bankers had to use $582,000 to make good the guarantee because they could not pay it off.

The second indictment charged Mr. Carr, Mr. Osorio and two Dallas lawyers, Tom Thomas and Jarrell Ormand, with securities fraud, mail fraud, false filings with the Securities and Exchange Commission, and conspiracy.